

Canadian Northern Economic Development Agency

2011–2012

Report on Plans and Priorities

The original version was signed by
The Honourable Leona Aglukkaq, P.C., M.P.
Minister of Health and Minister of the Canadian Northern Economic
Development Agency

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Minister's Message

As Minister of the Canadian Northern Economic Development Agency, or CanNor, I am pleased to present to Parliament and the people of Canada the Agency's *Report on Plans and Priorities* for 2011–2012.

When the Prime Minister announced the creation of CanNor in August 2009 in Iqaluit, Nunavut, it was an honour for me to be part of the event and to share in the celebration of this important milestone in the implementation of the government's Northern Strategy. Now, as CanNor begins its second full year of operation, it is an even greater honour for me to be leading the Agency as its Minister.



In the months since it was established, CanNor has made great strides. Regional offices have been established in all three of the territorial capitals and the Agency's headquarters building is under construction in Iqaluit. CanNor delivered its core programs — the Strategic Investments in Northern Economic Development initiative and a suite of Aboriginal business and economic development initiatives — but also successfully led the implementation of Canada's Economic Action Plan in the North. At the same time, CanNor worked to fulfill the government's vision for the Agency by establishing the Northern Projects Management Office and collaborating with regulators and developers to co-ordinate and streamline federal regulatory processes in the territories.

Looking forward, CanNor will continue to play a leadership role in fostering economic development in Canada's North. Economic growth in Canada's North is an important part of the nation's recovery from the global economic downturn. CanNor will continue to work in partnership with territorial governments, businesses, northern Aboriginal people and other federal departments to support the development of key economic sectors and to lay the foundation for future growth and economic diversification across northern communities.

CanNor's core strength is its presence in the North and the breadth of its network of partners. The Agency leverages this strength to gain maximum advantage from its program investments and to help other federal departments, other levels of government, and other stakeholders in northern economic development achieve better returns on their own investments of effort and resources in the territories.

In the coming year, CanNor will continue to drive progress in northern economic development, in the co-ordination of federal activities in the North, and in laying the foundations for long-term sustainable development in northern communities. I look forward to sharing CanNor's achievements in future reports to Parliament.

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The Honourable Leona Aglukkaq, P.C., M.P.
Minister of Health and Minister of the
Canadian Northern Economic Development Agency

Section I: Departmental Overview

Raison d'être

The Canadian Northern Economic Development Agency (CanNor) works to create a diversified, sustainable and dynamic economy across Canada's three territories, which contributes to the nation's prosperity. CanNor fosters growth and development in the North by delivering economic and community development programs and by collaborating with partners in northern and southern Canada to respond to economic challenges in the North. The Agency also co-ordinates the activities of other federal departments — particularly federal regulators — in the North and is an advocate for the interests of Northerners and northern Aboriginal people.

Responsibilities

The 2008 Speech from the Throne committed to establishing Canada's first stand-alone agency dedicated to northern economic development. In January 2009, CanNor was announced in the Federal Budget. The Agency was formally created eight months later in August 2009 when Prime Minister Stephen Harper announced the creation of CanNor and the establishment of its headquarters in Iqaluit. CanNor has since established regional offices in all three northern capitals, as well as a liaison office in Ottawa. After operating for 19 months, CanNor will be entering its second full fiscal year of operation in 2011–2012.

The Minister responsible for CanNor is also the Minister of Health. The Agency is led by a President, who is also CanNor's Deputy Minister. CanNor operates as an independent federal department under Schedule I.1 of the *Financial Administration Act*.

In May of 2010, CanNor marked an important milestone with the opening of the Northern Projects Management Office (NPMO). The NPMO supports economic development in the North by co-ordinating federal regulators and working to ensure the timeliness, transparency and predictability of federal regulatory processes on northern projects. Further, the NPMO has an important role in helping federal departments and project proponents undertake Aboriginal consultation in the territories.

CanNor is one of six regional economic development agencies. Beyond delivering its own programs, the Agency fulfils the same role as other regional economic development agencies, such as co-ordination and delivery of a number of federal programs at the regional level, including Aboriginal economic development programs on behalf of Indian and Northern Affairs Canada, infrastructure programming on behalf of Infrastructure Canada, and economic development programming for official language minority communities on behalf of Industry Canada. CanNor also works closely with Human Resources and Skills Development Canada on interventions targeting skills needed for the growing northern economy. Like all regional development agencies, CanNor is the host department for the three Regional Federal Councils in the territories.

Contribution to the Federal Sustainable Development Strategy

CanNor is not required to report under the *Federal Sustainable Development Act* but nonetheless adheres to the Act's principles. Many of CanNor's activities contribute positively to addressing climate change and air quality, maintaining water quality, protecting nature, and shrinking the government's environmental footprint. The Agency is committed to the use of information and communication technologies to reduce the impact of the geographic distance between its offices while also reducing some of the environmental impacts arising from its operations. CanNor is also committed to the Policy on Green Procurement and is integrating green procurement considerations into its contracting processes.

Strategic Outcome and Program Activity Architecture

CanNor's strategic outcome is: *Developed and diversified territorial economies that support prosperity for all Northerners*. The Program Activity Architecture (PAA) provided below is designed to support the achievement of this outcome. It is comparable to the PAAs of other federal regional economic development agencies and was developed as part of CanNor's work to complete the Agency's first Management, Resources and Results Structure. The PAA reflects the current programs and activities of CanNor, but may change over time to accommodate evolution in the Agency's roles, responsibilities, programs and activities.

CanNor Program Activity Architecture

Government of Canada Outcome: Strong Economic Growth		
CanNor Strategic Outcome	Program Activities	Program Sub-activities
<i>Developed and diversified territorial economies that support prosperity for all Northerners</i>	1.1 Business Development	1.1.1 Innovation and Knowledge
		1.1.2 Entrepreneurship
		1.1.3 Sectoral Development
	1.2 Community Development	1.2.1 Aboriginal Economic Development
		1.2.2 Community Adjustment
		1.2.3 Capacity and Skills Development
		1.2.4 Infrastructure
	1.3 Policy, Advocacy and Co-ordination	1.3.1 Policy
		1.3.2 Advocacy
		1.3.3 Co-ordination
	1.4 Internal Services	1.4.1 Governance and Management Support
		1.4.2 Resource Management Services
		1.4.3 Asset Management Services
	Tag Legend	
 Theme I: Addressing Climate Change and Air Quality		
 Theme II: Maintaining Water Quality and Availability		
 Theme III: Protecting Nature		
 Theme IV: Shrinking the Environmental Footprint — Beginning with Government		

Planning Summary

Financial Resources (\$000s)

2011–2012	2012–2013	2013–2014
45,625	44,202	44,067

Human Resources (Full-time Equivalents — FTEs)

2011–2012	2012–2013	2013–2014
105	105	105

CanNor's total budget in 2010–2011 was \$68.855 million. The Agency's important role in the delivery of the Community Adjustment Fund and Recreational Infrastructure Canada Program in the territories as the lead department for Canada's Economic Action Plan in the North brought a budget increase in 2009–2010 and 2010–2011. CanNor delivered these programs without increasing its staff complement, so no downward adjustment will be made to the size of the Agency's team after these programs have sunset.

For 2011–2012, CanNor's activities focus on the delivery of the Strategic Investments in Northern Economic Development Program (which received funding to March 31, 2014, under Canada's Economic Action Plan), the ongoing work of the Northern Projects Management Office, and delivery of the suite of Aboriginal economic development programs, infrastructure programs and other initiatives for which CanNor is responsible on behalf of other departments. CanNor will also invest effort and resources in co-ordinating federal activities in the North and working with partners to respond to economic development challenges across northern communities.

The following table identifies CanNor's program activities, program targets and allocated resources; it also provides details on how CanNor's work contributes to the broader outcomes of the Government of Canada. CanNor works toward its strategic outcome by supporting business and community development and by undertaking policy advocacy and federal co-ordination. These program activities depend on internal corporate and enabling services.

In its first year of operation, CanNor invested time and resources into developing a Performance Measurement Framework that includes indicators for the measurement of program success. In its second year of operation, CanNor will establish baseline data and benchmarks for these indicators and for measuring the outcomes of its program activities as well as their contributions to CanNor's strategic outcome. This means that, for fiscal year 2011–2012, targets established for program delivery relate only to program outputs. In future Reports on Plans and Priorities, program targets for outcomes will be established based on the baseline data and benchmarks gathered and developed by the Agency in 2011–2012.

Strategic Outcome: Developed and diversified territorial economies that support prosperity for all Northerners	
Performance Indicators	Targets*
<i>Economic Development</i> • Stakeholder / partner / client satisfaction • Total CanNor annual funding plus amount of funding leveraged	• Targets will be established based on benchmarks developed in 2011–2012
<i>Diversification</i> • Distribution of CanNor investments and projects by economic sector	• Targets will be established based on benchmarks developed in 2011–2012
<i>Increased Prosperity</i> • Business development arising from CanNor investments • Improved foundations for economic growth in northern communities	• Targets will be established based on benchmarks developed in 2011–2012
<i>Effective Program Implementation</i> • Percentage of projects undertaken that successfully met / exceeded performance targets	• Targets will be established based on benchmarks developed in 2011–2012

* *Note:* In its first year of operation, CanNor invested time and resources into developing a Performance Measurement Framework that includes indicators for the measurement of program success. In its second year of operation, CanNor will establish baseline data and benchmarks for these indicators and for measuring the outcomes of its program activities, as well as their contributions to CanNor's strategic outcome. This means that, for fiscal year 2011–2012, targets established for program delivery relate only to program outputs. In future Reports on Plans and Priorities, program targets for outcomes will be established based on the baseline data and benchmarks gathered and developed by the Agency in 2011–2012.

Program Activity	Forecast Spending 2010-2011 (\$000s)	Planned Spending (\$000s)			Alignment to Government of Canada Outcomes
		2011-2012	2012-2013	2013-2014	
Business Development	\$6,628	\$4,613	\$4,469	\$4,455	Strong economic growth
Community Development	\$51,146	\$35,596	\$34,486	\$34,380	Strong economic growth
Policy Advocacy and Federal Co-ordination	\$5,893	\$4,102	\$3,973	\$3,961	Strong economic growth
Internal Services	\$1,888	\$1,314	\$1,273	\$1,269	N/A
Total Planned Spending		\$45,625	\$44,201	\$44,065	

Contribution of Priorities to Strategic Outcome

CanNor has four immediate priorities:

1. Achieving excellence in program delivery;
2. Building a strong agency;
3. Launching the Northern Projects Management Office; and
4. Promoting a strategic approach to northern development.

Operational Priorities	Type*	Links to Strategic Outcome	Description
Excellence in program delivery	New	<i>Developed and diversified territorial economies that support prosperity for all Northerners</i>	Why is this a priority? • CanNor's programs support economic development in a wide range of sectors and in communities across the North. A wide variety of regional and community organizations as well as businesses rely on CanNor for efficient and effective program delivery. Plans for meeting the priority • Continuously refine and improve CanNor business processes and program delivery. • Continue to foster strong working relationships with partners and stakeholders.
Building a strong agency	New	<i>Developed and diversified territorial economies that support prosperity for all Northerners</i>	Why is this a priority? • CanNor is a key component of the government's Northern Strategy and the first federal department with its headquarters in the North. • CanNor's programs make important contributions to economic development across the territories. Plans for meeting the priority • Strengthen CanNor's headquarters presence in Iqaluit and its regional offices in all three northern capitals. • Continue to improve program delivery, key engagement and co-ordination activities, policy development and strategic planning, as well as communications and outreach.

Operational Priorities	Type*	Links to Strategic Outcome	Description
Fostering relationships with Northerners and federal government partners to promote a strategic approach to northern development	New	<i>Developed and diversified territorial economies that support prosperity for all Northerners</i>	Why is this a priority? • A key aspect of CanNor's role and functions is to build partnerships and co-ordinate action among stakeholders in the North and federal departments to help strengthen community and economic development in the territories. Plans for meeting the priority • Collaborate with key northern and federal government partners on infrastructure, skills and entrepreneurial capacity, regulatory processes and improvement, business development, and natural resource development in the North. • Work with federal departments to increasingly align federal investments to improve the impacts of federal activities and programs.
Strengthening the Northern Projects Management Office (NPMO)	New	<i>Developed and diversified territorial economies that support prosperity for all Northerners</i>	Why is this a priority? • The NPMO's regulatory co-ordination and outreach function is critical to regulatory improvement in the North and to the efficient regulatory review of northern projects. Plans for meeting the priority • Work with federal regulatory departments, northern environmental assessment and regulatory boards, and private sector project proponents to facilitate and co-ordinate the efficient regulatory review of northern project proposals.

Management Priorities	Type*	Links to Strategic Outcome	Description
Excellence in internal management	New	<i>Developed and diversified territorial economies that support prosperity for all Northerners</i>	Why is this a priority? • It generally takes three to five years to build a new public institution and be fully operational. • Taking measures to ensure a solid organizational foundation results in operational efficiency and effectiveness. Plans for meeting the priority • Information management practices will be developed and implemented. • Corporate Secretariat services and procedures will be developed and implemented to ensure high-quality support to the Agency's senior management committee and the Minister. • Corporate policies and procedures will be developed and implemented. • Progress with the implementation of the Agency's administrative systems and revisions to the Agency's business processes will form an input to the Treasury Board Secretariat performance assessment framework, as part of the government's Management Accountability Framework.

Management Priorities	Type*	Links to Strategic Outcome	Description
Excellence in human resources management	New	<i>Developed and diversified territorial economies that support prosperity for all Northerners</i>	Why is this a priority? - Employees are a critical CanNor asset. Working for an Agency in its infancy can be challenging at times, so the success of CanNor depends on employee engagement and continuity. Plans for meeting the priority - Promote a corporate culture of excellence based on integrity, trust, respect and service. - Develop a human resources strategy in line with the renewal of the Public Service to identify current status, requirements and gaps, staffing priorities, and training requirements. - Develop innovative recruitment strategies to target Northerners. - Seek opportunities to encourage mobility between regional offices. - Develop clear performance management agreements linked to the Agency's priorities for all executives. - Require all staff to complete an employee performance management form and a learning plan.
Performance measurement	New	<i>Developed and diversified territorial economies that support prosperity for all Northerners</i>	Why is this a priority? - In 2010–2011, CanNor finalized its Performance Measurement Framework. In 2011–2012, CanNor will gather baseline program data and information with the goal of establishing benchmarks for program outcomes. Plans for meeting the priority - Develop a data collection strategy to effectively track data related to performance measurement. - Introduce a performance reporting process to track progress against established performance targets and support organizational decision making.

* Note: All priorities are considered new because the Agency was established in August 2009. Fiscal year 2010–2011 was its first full year of operation.

Risk Analysis

CanNor delivers its programs in a singular operational and business environment. Business development in the North needs to deal with the exigencies of the climate, remote communities, sparse population, dependence on natural resource extraction and associated challenges, such as underdeveloped infrastructure. Program delivery in the North therefore requires a strong focus on risk management and mitigation.

CanNor has identified six key risk areas:

1. operational environment;
2. human and knowledge capital;
3. alignment with priorities and needs;
4. clients, partners and stakeholders;
5. public communications; and
6. legal, statutory and land claims.

Operational Environment. The North's tremendous economic potential is coupled with enormous challenges in the delivery of economic development programming and regulatory co-ordination in the Arctic. Even the larger communities in the three territories are far from markets, and economic and municipal infrastructure can be limited. Logistics are challenging in the North and the cost of doing business is very high. CanNor needs to manage operational costs related to maintaining offices in the North. At the same time, as a new organization, CanNor must develop the suite of tools, practices, policies and procedures required to operate effectively as a federal government department. To manage this risk, CanNor has undertaken a staged plan for the management of office accommodation and the establishment of its headquarters in Iqaluit. In its policy and procedures development, the Agency is also working to ensure that business processes and tools are appropriate to the northern operating environment.

Human and Knowledge Capital. CanNor must manage the risks associated with maintaining a sufficient and representative workforce with the appropriate skill mix, as well as timely access to complete and appropriate information for effective operations and decision making. To manage recruitment and retention of skilled staff in the small northern labour market, CanNor is implementing a comprehensive human resources plan. CanNor has also undertaken alternative methods of hiring, such as engaging highly skilled personnel for short-term engagements to fill critical needs and establish the organizational foundation for the new Agency. These employees are also working to transfer their knowledge to long-term CanNor staff.

Alignment with Priorities and Needs. As a new organization in a specialized environment, CanNor has to give careful consideration to its organizational alignment of activities, priorities and financial resources to meet service expectations or organizational priorities. Risks relate to ensuring that scarce resources are allocated to priority activities. Mitigation tools include CanNor's Program Activity Architecture (which clearly identifies the Agency's business lines) and its Integrated Business Plan. CanNor is revising and standardizing its business processes and is also developing a strategic policy framework and economic research function to refine the Agency's goals and priorities.

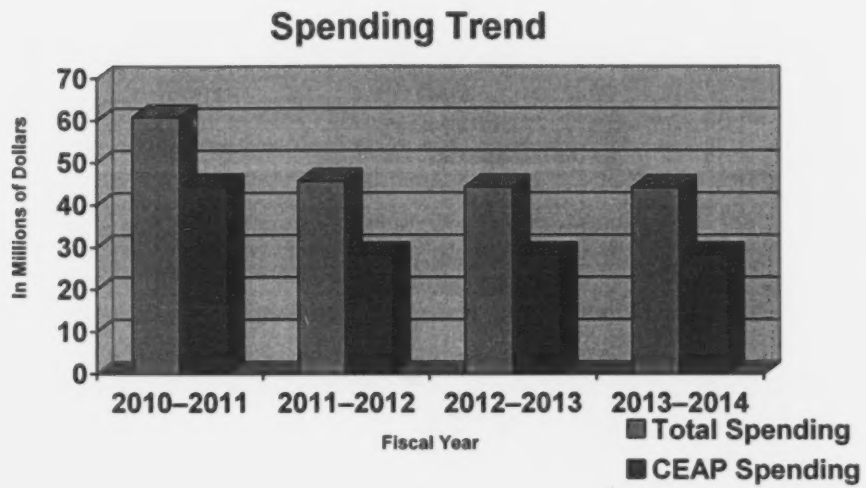
Clients, Partners and Stakeholders. Most of CanNor's program delivery involves some element of partnership or collaboration, making it critical that the Agency manage risks associated with other actors in economic development. But as collaboration creates the risk it also mitigates it. CanNor has worked with partners across all three territories to develop consensus on five-year investment plans for the Strategic Investments in Northern Economic Development Program. CanNor is also working closely with Aboriginal economic development organizations to influence federal programming so that it aligns well with the needs of northern Aboriginal people. CanNor has established a model for collaboration with federal departments, such as Human Resources and Skills Development Canada, through memoranda of understanding. The Northern Projects Management Office is developing a variety of tools to be used to co-ordinate federal regulatory activities relating to major development projects in the North. These are examples of the Agency's important role as a convenor of diverse interests.

Public Communications. In support of its mandate, CanNor must: effectively communicate its role and activities under the government's Northern Strategy and Canada's Economic Action Plan; provide information on program delivery successes; engage the public, partners and stakeholders; and deliver consistent messages about the Agency so that Canadians understand its role and functions. Inaccurate or negative perceptions about CanNor can develop as a result of ineffective communications. To manage public communications, CanNor employs a suite of tools, including communications plans, engagement activities and standard business practices for announcements, media relations, and outreach.

Legal, Statutory and Land Claims. A number of policies and legislative requirements set the context for CanNor's operations. CanNor must also adhere to the terms of Aboriginal land claim and self-government agreements in the North. These agreements also influence the regulatory environment in which the Northern Projects Management Office must operate. To align with statutory and other legal requirements, CanNor is designing its own internal practices and models for business delivery. CanNor is striving to reflect in these practices the role played by comprehensive land claims and Aboriginal self-government agreements in the North.

Expenditure Profile

The following figure illustrates CanNor's spending trend from 2010–2011 to 2013–2014. Because CanNor was created in 2009–2010, no historical spending data exists for the Agency. Spending allocated from Canada's Economic Action Plan (CEAP) is reflected in the total spending but also shown separately. While the Community Adjustment Fund and the Recreational Infrastructure Canada Program will not be renewed for fiscal year 2011–2012, the Strategic Investments in Northern Economic Development Program and CanNor's base funding also form part of the Action Plan and will continue to fiscal year 2013–2014.



Estimates by Vote

For information on our organizational votes and/or statutory expenditures, please see the 2011-12 Main Estimates publication.

Section II: Analysis of Program Activities by Strategic Outcome

Strategic Outcome

CanNor identifies one strategic outcome in its Program Activity Architecture: *Developed and diversified territorial economies that support prosperity for all Northerners*. For accountability purposes, CanNor has further refined its strategic outcome in its Performance Measurement Framework (PMF) as *improved performance with respect to development and diversification of territorial economies — in support of prosperity for all Northerners*.

Program Activity: Business Development

Program Activity: Business Development					
Human Resources (FTEs) and Planned Spending (\$000s)					
2011–2012		2012–2013		2013–2014	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
12	\$4,613	12	\$4,469	12	\$4,455

Program Activity Expected Results	Performance Indicators	Targets*
Increased number of northern and Aboriginal businesses	Percentage of northern and Aboriginal individual- or community-owned businesses supported by the Agency that are still operating after two years	Targets will be established based on benchmarks developed in 2011–2012
Strengthened northern innovation and technology capacity and increased knowledge base	- Number of successfully completed studies and projects funded by CanNor - Number of plans adopted involving: (a) expanded technology; or (b) expanded knowledge	Targets will be established based on benchmarks developed in 2011–2012
Northern and Aboriginal entrepreneurs have increased access to funding	- Amount of disbursements to northern and Aboriginal businesses and community development organizations - Amount of investment leveraged by CanNor	Targets will be established based on benchmarks developed in 2011–2012
Increased uptake of economic opportunities in existing, expanding and emerging sectors	Progress achieved: percentage of program expenditures against targets	Targets will be established based on benchmarks developed in 2011–2012

* Note: For fiscal year 2011–2012, targets established for program delivery relate only to program outputs. In future Reports on Plans and Priorities, program targets for outcomes will be established based on the baseline data and benchmarks gathered and developed by the Agency in 2011–2012.

This program activity supports the growth and expansion of northern businesses, including small and medium-sized enterprises, through training, advisory services, and grants and contributions. The program activity's objective is the encouragement of a competitive, diverse northern business sector with a strengthened capacity for innovation. CanNor's flagship program under this program activity is the Strategic Investments in Northern Economic Development (SINED) initiative. SINED contributes funding, as well as other forms of support, to the development of proposals that aim to strengthen economic drivers, diversify the economy, increase the participation of Northerners in the marketplace, and improve the co-ordination of federal programs. The program works with the territorial governments, Aboriginal organizations and the not-for-profit sector to promote economic development in the North.

CanNor will implement this program activity through the following sub-activities:

- Sectoral Development;
- Entrepreneurship; and
- Innovation and Knowledge.

Planning Highlights

To achieve the expected results for this program activity, the Agency plans to undertake the following activities:

- CanNor will make project investments under SINED of up to \$18 million. This funding will be guided largely by territorial investment plans that were approved by CanNor's Minister in August 2009. These plans are specific to the needs of each territory and target key economic development sectors such as geoscience, tourism, cultural industries, economic infrastructure, mining, oil and gas development, forestry, renewable energy, small and medium-sized enterprises, commercial and traditional harvesting, and capacity development.
- CanNor will present the Minister for approval its strategic policy framework to guide long-term program delivery and investment, and will explore business development opportunities for women living in the territories and for small businesses.
- CanNor will explore initiatives geared toward encouraging, developing and promoting youth entrepreneurship.

Benefits for Canadians

CanNor will contribute to a stronger, more dynamic economy for northern families and businesses. CanNor will work to improve access to the economic opportunities generated by northern projects for Northerners and northern Aboriginal people. Positioning northern workers and businesses to take advantage of the resources and opportunities available across the territories will help Northerners prosper. All Canadians will benefit from the increased independence and diversification of the expanding territorial economies. By fostering sustainable, collaborative relationships with all stakeholders, CanNor supports the region's growing economy and helps the North fulfil its tremendous potential — an undertaking that serves the interests of Canada and all its citizens.

Program Activity: Community Development



Program Activity: Community Development					
Human Resources (FTEs) and Planned Spending (\$000s)					
2011–2012		2012–2013		2013–2014	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
47	\$35,596	47	\$34,486	47	\$34,380

Program Activity Expected Results	Performance Indicators	Targets*
Increased sustainability and well-being of northern communities	Four components of the Community Well-Being Index: income, education, housing, labour force participation	Targets will be established based on benchmarks developed in 2011–2012
Increased economic development benefits and opportunities for Aboriginal communities	Number of Canadian economic opportunities projects producing concrete economic employment benefit to date	Targets will be established based on benchmarks developed in 2011–2012
Improved co-ordination of federal activities in the North, including regulatory activities and improved access to opportunities in northern communities	Number of communities with functioning professional, administrative, and institutional economic development capacity	Targets will be established based on benchmarks developed in 2011–2012
Northern communities benefit from improved infrastructure	Number of new and improved infrastructure elements successfully completed	Targets will be established based on benchmarks developed in 2011–2012

* Note: For fiscal year 2011–2012, targets established for program delivery relate only to program outputs. In future Reports on Plans and Priorities, program targets for outcomes will be established based on the baseline data and benchmarks gathered and developed by the Agency in 2011–2012.

This program activity supports:

- proposals from First Nation, Métis and Inuit entrepreneurs in the North, as well as from northern communities, Aboriginal businesses and financial organizations;
- community-level investments in infrastructure and organizations; and
- individual-level investments in skills and capacity development undertaken in collaboration with other federal departments and partners.

Through economic development and diversification initiatives that help communities adjust to changing and challenging economic circumstances, the objective is to establish economically sustainable northern communities with a better quality of life for residents.

As part of this program activity, CanNor will also support the delivery of Human Resources and Skills Development Canada (HRSDC) skills training programs in the North. This will include partnerships and projects under HRSDC-administered funds such as the Aboriginal Skills and Training Strategic Investment Fund and the Aboriginal Skills and Employment Partnerships program. Initiatives will also include research and analysis of skills-related gaps and opportunities.

CanNor will implement this program activity through the following sub-activities:

- Aboriginal Economic Development;
- Capacity and Skills Development (undertaken in collaboration with other federal departments and territorial partners); and
- Infrastructure.

Planning Highlights

To achieve the expected results for this program activity, CanNor plans to undertake the following activities:

- CanNor will continue to work with the territories to identify eligible projects for funding and negotiate the related contribution agreements.
- CanNor will leverage the role of the Northern Projects Management Office to better understand the potential impacts and benefits of development projects in the North and to make strategic investments in communities and northern development opportunities.
- CanNor will develop a strategic policy framework that will guide long-term program delivery and investments in northern development.
- CanNor will work closely with Aboriginal governments and organizations to understand and respond to the economic development needs of these groups in accordance with the Federal Framework for Aboriginal Economic Development.
- CanNor will provide support for official language minority communities in the territories, implementing Canada's strategy for official languages, the *Roadmap for Canada's Linguistic Duality 2008–2013: Acting for the Future*, in the North.
- For all existing and new economic development programs, CanNor will seek to fully integrate a capacity and skills development component.
- CanNor will continue its collaboration with Infrastructure Canada and the other regional development agencies to improve the delivery of national infrastructure programs. CanNor will initiate discussions with Infrastructure Canada about the possibility of the Agency taking on the delivery of additional infrastructure funding programs.
- CanNor will undertake responsibility for the Canada Business Service Centre initiative in the North through a Memorandum of Understanding with Industry Canada.

Benefits for Canadians

This program activity contributes to the development of strong and economically vibrant communities that, in turn, contribute to more balanced, diversified growth conditions for Canada as a whole. Through CanNor's investments, communities have more economic opportunities and increased capacity to respond to challenges. To avoid duplication and make the most of investments, CanNor is working with federal departments, territorial governments, Aboriginal organizations and community leaders on integrating, as a "single window," all federal programming and horizontal initiatives in the North.

Program Activity: Policy, Advocacy and Co-ordination



Program Activity: Policy, Advocacy and Co-ordination					
Human Resources (FTEs) and Planned Spending (\$000s)					
2011-2012		2012-2013		2013-2014	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
22	\$4,102	22	\$3,973	22	\$3,961

Program Activity Expected Results	Performance Indicators	Targets*
Increased consideration of northern business and community development interests in federal economic policies, programs and regulations	Number of meetings and forums jointly planned and executed in the North	Targets will be established based on benchmarks developed in 2011-2012
Development of partnerships and co-ordination of partners in addressing northern economic priorities	Number of partnerships focused on responding to shared northern economic priorities	Targets will be established based on benchmarks developed in 2011-2012
Better access to federal government economic development opportunities for northern communities, individuals and businesses	Number of successful referrals to other federal programs	Targets will be established based on benchmarks developed in 2011-2012
Northern projects managed through a co-ordinated whole-of-government approach	Number of projects co-ordinated by the Northern Projects Management Office	Targets will be established based on benchmarks developed in 2011-2012

* Note: For fiscal year 2011-2012, targets established for program delivery relate only to program outputs. In future Reports on Plans and Priorities, program targets for outcomes will be established based on the baseline data and benchmarks gathered and developed by the Agency in 2011-2012.

This program activity supports:

- the co-ordination of federal responsibilities throughout the regulatory cycle of resource development projects;

- research and analysis to provide evidence-based programming and policy choices;
- the promotion of northern interests both inside and outside the federal government;
- the development of horizontal strategies, initiatives and projects to address economic development challenges in the North; and
- close collaboration with key players to improve northern economic development.

Through this program activity, the Agency has the information and understanding needed to provide a balanced, regionally sensitive approach that addresses northern priorities, maximizes the Agency's effectiveness, and supports the development and implementation of CanNor strategic directions and priorities.

Planning Highlights

To achieve the expected results for this program activity, the Agency plans to undertake the following activities:

- The Northern Projects Management Office (NPMO), a core program within CanNor, opened its doors in May 2010. The NPMO works with federal partners, territorial and Aboriginal governments, regulatory boards and stakeholders to facilitate improved communication and co-ordination, and to ensure environmental assessments and regulatory approvals proceed smoothly on northern projects. The NPMO co-ordinates consultation and maintains the Crown consultation record for projects in its portfolio. To achieve a co-ordinated whole-of-government approach to managing northern resource and regional infrastructure projects, the NPMO will:
 - continue to serve as a central source of information and guidance for project proponents and others regarding the applicable environmental assessment and regulatory requirements for northern projects, in part through active engagement and outreach with industry. The NPMO will also continue to provide a link to and information about programs administered by CanNor and other government agencies, which can increase the ability of Northerners and northern Aboriginal people to benefit from resource and regional infrastructure development projects.
 - implement the Memorandum of Understanding (MOU) among the NPMO, federal departments and agencies. The MOU confirms the commitment of the parties to work co-operatively to ensure that environmental assessment and regulatory review of northern projects proceed in a timely, predictable, transparent, effective and accountable manner. The MOU also establishes a governance structure, incorporating the existing Natural Resources Canada Major Projects Management Office network of Deputy Ministers, Assistant Deputy Ministers and Directors General committees, plus a project committee in each territory. Project committees are open to representation from both the federal and territorial governments as well as northern boards.
 - on the advice of the project committees, guide the first projects to become part of the NPMO portfolio, including preparation of federal interdepartmental co-ordination agreements for each project, tracking projects' progress on a publicly accessible database, identifying issues and resolving through the governance structure.

- The Agency will establish a strategic policy framework to guide future program delivery and investments. The Agency will also conduct economic research and analysis and monitor economic issues on an ongoing basis.
- CanNor will advocate for northern interests within the federal government and develop the capacity to facilitate and enable the alignment of key federal economic development activities in the North.

Benefits for Canadians

CanNor ensures that key federal players can better align their economic development activities in the North and increases their understanding of northern issues. CanNor's establishment as a single window for federal programming in the North offers Northerners greater opportunity to benefit from federal and joint federal-territorial policies and programs that are relevant to the region's economic opportunities and challenges. The resulting stronger regional economy will benefit all of Canada.

Program Activity: Internal Services



Program Activity: Internal Services					
Human Resources (FTEs) and Planned Spending (\$000s)					
2011-2012		2012-2013		2013-2014	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
24	\$1,314	24	\$1,273	24	\$1,269

Program Activity Expected Results	Performance Indicators	Targets*
Public programs, as well as other internal services, operate more efficiently and effectively	Percentage of results meeting or exceeding targets for Governance and Support Management; Resource Management Services; and Asset Management Services	Targets will be established based on benchmarks developed in 2011-2012

* Note: For fiscal year 2011-2012, targets established for program delivery relate only to program outputs. In future Reports on Plans and Priorities, program targets for outcomes will be established based on the baseline data and benchmarks gathered and developed by the Agency in 2011-2012.

Planning Highlights

For governance and support management, CanNor will continue to develop and implement an effective corporate services model. With its resource management services, the Agency will strive for strong employee capacity and continuity and explore creative recruitment strategies. As an organization still getting off the ground, CanNor will ensure it implements the human resources cycle and integrates it with business plans, and implements core financial controls and verifies that financial processes are effective. The Agency will continue to implement a resource management cycle that supports decision making.

To ensure effective asset management services, CanNor will implement the asset management cycle and ensure it also supports decision making.

Benefits for Canadians

Effective and efficient internal services are paramount to a healthy and well-functioning entity. CanNor's work to strengthen its internal services capacity will ensure that the Agency can effectively and efficiently deliver on its mandate.

Section III: Supplementary Information

Financial Highlights

The financial highlights presented in this RPP are intended to serve as a general overview of CanNor's financial position and operations. CanNor's financial statements can be found on the [Agency's website](#).

Future-oriented Condensed Statement of Operations

For the Year (Ended March 31)
(\$000s)

	% change	Future-oriented 2011-2012	Future-oriented 2010-2011
Expenses			
Total Expenses	-33.7%	45,625*	68,855
Revenues			
Total Revenues		—	—
Net Cost of Operations	-33.7%	45,625	68,855

* Note: The Community Adjustment Fund and Recreational Infrastructure Canada programs sunsetted March 31, 2011.

Future-oriented Condensed Statement of Financial Position

For the Year (Ended March 31)
(\$000s)

	% change	Future-oriented 2011-2012
Assets		
Total assets		41
Liabilities		
Total liabilities		9,250
Equity		—
Total		9,291

Supplementary Information Tables

All electronic supplementary information tables found in the 2011–12 Report on Plans and Priorities can be found on the [Treasury Board of Canada Secretariat's website](#).

- Details of Transfer Payment Programs
- Greening Government Operations
- Upcoming Internal Audits and Evaluations Over the Next Three Fiscal Years

Section IV: Other Items of Interest

Useful Links

Information on [Canada's Northern Strategy](#)

Information on [Canada's Economic Action Plan](#)

Details on the [Canadian Northern Economic Development Agency](#)

Details regarding the [Northern Projects Management Office](#)